

# Hawk Tuah Girl is Trying to Distance Herself From the Collapse of Her \$Hawk Memecoin

30 DECEMBER 2024 by DAVID ZASLOWSKY - 4 MINS READ

SHARE



Social media – with Tik Tok being the primary medium these days – illustrates the continued power of the internet to lift people from obscurity to international stardom. Haliey Welch is a perfect example. The 22-year-old went viral in the summer of 2024 after a street interview where she used the term “hawk tuah” to describe a sex act, which led to her being known as Hawk Tuah Girl. She used her fame to sell merchandise and start her own podcast (called “Talk Tuah”), which became a top-five podcast. She has more than 2.6 million followers on Instagram.

Welch then took a foray into the world of cryptocurrency. According to an [article](#) in Forbes, Welch launched the Hawk Tuah coin (\$Hawk)—widely seen as a memecoin—on the Solana blockchain on Wednesday evening, December 5, 2024. A memecoin is a type of cryptocurrency inspired by internet memes, characters or trends. It quickly hit a market capitalization of nearly \$500 million, before immediately plummeting 95% to \$25 million as of Thursday afternoon, December 6. The coin’s price hit a high of \$0.04916 on December 5, but as of the following afternoon after 4 p.m. EST, the price was \$0.002439. As of the writing of this post, the price of the \$Hawk token – which is still being bought and sold – is about \$0.00054 (depending on the exchange).

Unsurprisingly, this fiasco resulted in litigation. On December 19, 2024, a group of plaintiffs alleging they lost money in buying \$Hawk tokens, filed suit in the United States District Court for the Eastern District of New York. Defendant overHere Limited, a Hong Kong company, is a web3 developer that allegedly served as the launchpad for \$HAWK and promoted the project. Defendant Clinton So, a Hong Kong resident, allegedly is the founder and controller of overHere and promoted the project in online spaces, including on X. Defendant Tuah The Moon Foundation, registered and headquartered in the Cayman Islands, allegedly received funds from the sale of the \$Hawk token. Defendant Alex Larson Schultz, a Los Angeles resident, promoted the \$Hawk project online, including on X, hosting Twitter Spaces where he discussed the project.

The lawsuit accuses the defendants of illegally selling and promoting the coin. The complaint alleges that the \$HAWK token (i) involved a common enterprise, (ii) was sold and purchased with the expectation of profits from the efforts of others, and, (iii) was sold and purchased in the United States. In other words, plaintiffs are trying to satisfy the *Howey* test to establish that the \$Hawk tokens were unregistered securities. Plaintiffs seek damages, among other relief, alleging that the 16 of them lost about \$151,000.

According to an [article](#) in *Rolling Stone*, (i) Welch received an up-front payment of \$125,000 to promote the coin to her community, along with 50 percent of net trading proceeds after operating costs paid to third parties, and (ii) she owned 10 percent of the entire \$HAWK supply, although she could not sell them for a year. Welch also promoted the coin on her social media platforms, such as discussing the project with multibillionaire Mark Cuban during an episode of her podcast. Nevertheless, in an interesting twist of legal strategy, Welch was not named as a defendant. Since the lawsuit was filed,

Welch is clearly trying to distance herself from what happened. She **posted** the following on X: “I am fully cooperating with and am committed to assisting the legal team representing the individuals impacted, as well as to help uncover the truth, hold the responsible parties accountable, and resolve this matter.” She also provided a link to the plaintiff’s lawyers for those who experienced losses.

Welch’s involvement raises questions, once again, about the role of influencers in cryptocurrency ventures, an issue we have addressed in the past. See **here** and **here**. As to this particular venture, at some level, it is easy to conclude that anybody who suffered a loss by investing in a cryptocurrency backed by Welch should not at all be surprised and should not look to others to take responsibility for such losses. Then again, if the securities laws were violated, they, too, have the right to seek redress in the courts.

CATEGORIES:

- CRYPTOCURRENCY
- LITIGATION
- SECURITIES
- US



David Zaslowsky

Email

David Zaslowsky has a degree in computer science and, before going to Yale Law School, was a computer programmer. His practice focuses on international litigation and arbitration. He has been involved in cases in trial and appellate courts across the United States and before arbitral institutions around the world. Many of David’s cases, including some patent cases, have related to technology. David has been included in Chambers for his expertise in international arbitration. He is the editor of the firm’s blockchain blog.



Related Posts

One of the First Moves of President Trump’s SEC Was Rescinding Staff Accounting Bulletin 121, Making it Easier to Custody Crypto-Assets

3 FEBRUARY 2025

Spain: Crypto Exchanges Welcome More Flexibility on Spanish Crypto-Asset Advertising Rules

22 JANUARY 2025

BitMEX Fined Additional \$100 Million For Flouting U.S. Anti-Money Laundering Laws

16 JANUARY 2025



---

© Copyright 2025 – Blockchain

[Disclaimers](#) | [Privacy Statement](#) | [Attorney Advertising](#)